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MIDWEST INFORMATION OFFICE: Chicago, Ill.

Technical information: (312) 353-1880 BLSInfoChicago@bls.gov www.bls.gov/regions/midwest

Media contact: (312) 353-1138

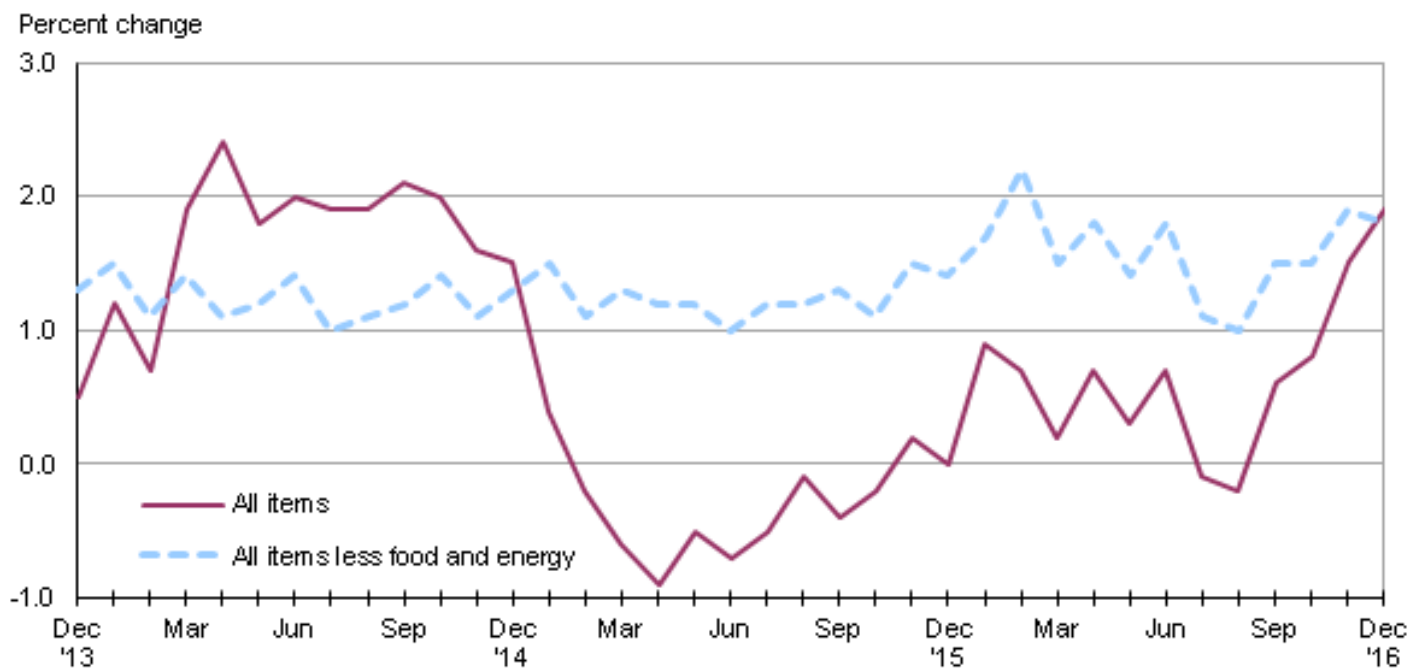
Consumer Price Index, Chicago-Gary-Kenosha — December 2016

Local prices rose 1.9 percent over the year

The Consumer Price Index for All Urban Consumers (CPI-U) in the Chicago-Gary-Kenosha area fell 0.2 percent in December, the U.S. Bureau of Labor Statistics reported today. Assistant Commissioner for Regional Operations Charlene Peiffer noted that food prices declined 0.4 percent and energy prices increased 2.6 percent in December. The all items less food and energy index fell 0.4 percent over the month. Among the indexes within the all items less food and energy category, prices were lower for apparel, shelter, and recreation. Prices for education and communication were higher over the month. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect the impact of seasonal influences.)

Over the last 12 months, the Chicago area all items CPI-U increased 1.9 percent. (See [chart 1](#) and [table A.](#)) Energy costs rose 8.0 percent over the year due to increases in the indexes for gasoline and utility (piped) gas service. The all items less food and energy index was 1.8 percent higher over the year. (See [table 1.](#))

Chart 1. Over-the-year percent change in CPI-U, Chicago, December 2013–December 2016



Food

Food prices fell 0.4 percent in December after recording no change in November. Between the two components within the food index, prices for food at home (groceries) decreased 0.6 percent, while prices for food away from home (restaurant, cafeteria, and vending purchases) were unchanged over the month. Within the food at home group, prices were lower in December for citrus fruits, uncooked beef steaks, and eggs. In contrast, the indexes for canned fruits and vegetables and breakfast cereal were higher.

From December 2015 to December 2016, the food index fell 0.2 percent. Grocery prices declined 2.1 percent, while food away from home prices rose 2.7 percent over the year.

Energy

The energy index increased 2.6 percent in December, primarily due to a 7.8-percent increase in gasoline prices. Electricity costs were little changed over the month, increasing 0.1 percent, while the utility (piped) gas service index decreased 3.8 percent during same period.

Over the year, the Chicago area energy index rose 8.0 percent. The major contributing factors in the energy index's increase were a 14.4-percent rise in gasoline prices and a 19.1-percent increase in the utility (piped) gas service index. Electricity costs fell 5.2 percent over the year.

All items less food and energy

The index for all items less food and energy declined 0.4 percent in December. Prices were lower for apparel (-6.0 percent), shelter (-0.5 percent), and recreation (-0.9 percent), but higher for education and communication (0.4 percent).

Over the year, the index for all items less food and energy increased 1.8 percent. Increases in the indexes for shelter (2.9 percent) and medical care (6.5 percent) were major contributing factors.

Table A. Chicago CPI-U 1-month and 12-month percent changes, all items index, not seasonally adjusted

Month	2012		2013		2014		2015		2016	
	1-month	12-month	1-month	12-month	1-month	12-month	1-month	12-month	1-month	12-month
January.....	0.6	2.1	0.2	1.2	0.9	1.2	-0.2	0.4	0.8	0.9
February.....	0.0	1.6	1.1	2.3	0.5	0.7	0.0	-0.2	-0.2	0.7
March.....	1.2	2.1	-0.1	0.9	1.1	1.9	0.7	-0.6	0.1	0.2
April.....	0.0	1.7	0.0	0.9	0.5	2.4	0.1	-0.9	0.6	0.7
May.....	-0.1	1.0	0.5	1.5	-0.1	1.8	0.3	-0.5	0.0	0.3
June.....	-0.1	0.9	0.1	1.7	0.4	2.0	0.2	-0.7	0.5	0.7
July.....	-0.2	1.1	-0.2	1.7	-0.4	1.9	-0.1	-0.5	-0.8	-0.1
August.....	0.6	1.5	0.1	1.1	0.1	1.9	0.4	-0.1	0.2	-0.2
September.....	0.3	1.6	-0.2	0.7	0.0	2.1	-0.3	-0.4	0.6	0.6
October.....	-0.2	1.7	-0.3	0.5	-0.4	2.0	-0.1	-0.2	0.1	0.8
November.....	-0.4	1.5	-0.3	0.6	-0.8	1.6	-0.4	0.2	0.2	1.5
December.....	-0.3	1.7	-0.3	0.5	-0.4	1.5	-0.6	0.0	-0.2	1.9

The January 2017 Consumer Price Index for Chicago is scheduled to be released on Wednesday, February 15, 2017.

Technical Note

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 6,000 housing units and approximately 24,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at www.bls.gov/cpi and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at www.bls.gov/opub/hom/pdf/homch17.pdf.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. **Note: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.**

The **Chicago-Gary-Kenosha, Ill.-Ind.-Wis.** consolidated area covered in this release is comprised of Cook, DeKalb, DuPage, Grundy, Kane, Kankakee, Kendall, Lake, McHenry, and Will Counties in Illinois; Lake and Porter Counties in Indiana; and Kenosha County in Wisconsin.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: (202) 691-5200; Federal Relay Service: (800) 877-8339.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Chicago-Gary-Kenosha, IL-IN-WI (1982-84=100 unless otherwise noted)

Item and Group	Indexes			Percent change from-		
	Oct. 2016	Nov. 2016	Dec. 2016	Dec. 2015	Oct. 2016	Nov. 2016
Expenditure category						
All items	230.506	230.969	230.476	1.9	0.0	-0.2
All items (1967=100)	688.657	690.040	688.567	-	-	-
Food and beverages	243.493	243.435	242.856	-0.2	-0.3	-0.2
Food	243.409	243.466	242.580	-0.2	-0.3	-0.4
Food at home	234.715	234.809	233.374	-2.1	-0.6	-0.6
Food away from home	250.838	250.838	250.838	2.7	0.0	0.0
Alcoholic beverages	243.025	241.256	245.213	-0.2	0.9	1.6
Housing	237.836	238.965	237.767	2.5	0.0	-0.5
Shelter	298.177	300.016	298.542	2.9	0.1	-0.5
Rent of primary residence(1)	315.028	317.112	317.296	2.4	0.7	0.1
Owners' equiv. rent of residences(1)(2)	302.627	304.051	304.582	2.5	0.6	0.2
Owners' equiv. rent of primary residence(1)(2)	302.627	304.051	304.582	2.5	0.6	0.2
Fuels and utilities	198.338	199.898	197.760	4.9	-0.3	-1.1
Household energy	156.634	157.840	155.622	3.1	-0.6	-1.4
Energy services(1)	159.604	160.926	158.554	3.1	-0.7	-1.5
Electricity(1)	150.121	150.177	150.375	-5.2	0.2	0.1
Utility (piped) gas service(1)	161.008	164.254	157.948	19.1	-1.9	-3.8
Household furnishings and operations	92.264	91.171	91.290	-3.0	-1.1	0.1
Apparel	90.718	88.102	82.776	-5.0	-8.8	-6.0
Transportation	178.374	176.508	179.811	3.5	0.8	1.9
Private transportation	175.340	172.887	176.640	3.8	0.7	2.2
Motor fuel	212.050	196.464	211.678	14.2	-0.2	7.7
Gasoline (all types)	209.910	194.380	209.568	14.4	-0.2	7.8
Gasoline, unleaded regular(3)	200.688	185.344	200.589	14.8	0.0	8.2
Gasoline, unleaded midgrade(3)(4)	238.435	222.363	236.527	13.1	-0.8	6.4
Gasoline, unleaded premium(3)	238.051	224.125	236.886	12.0	-0.5	5.7
Medical care	482.970	498.174	495.526	6.5	2.6	-0.5
Recreation(5)	107.425	106.585	105.603	-3.0	-1.7	-0.9
Education and communication(5)	144.041	144.574	145.202	1.1	0.8	0.4
Other goods and services	386.640	385.112	388.371	1.1	0.4	0.8
Commodity and service group						
All items	230.506	230.969	230.476	1.9	0.0	-0.2
Commodities	165.454	163.609	163.691	-0.3	-1.1	0.1
Commodities less food & beverages	126.022	123.550	123.894	-0.3	-1.7	0.3
Nondurables less food & beverages	167.564	162.380	163.117	2.1	-2.7	0.5
Durables	87.509	87.153	87.191	-3.4	-0.4	0.0
Services	292.198	294.948	293.889	3.1	0.6	-0.4
Special aggregate indexes						
All items less medical care	219.677	219.492	219.093	1.4	-0.3	-0.2
All items less shelter	207.696	207.683	207.529	1.4	-0.1	-0.1
Commodities less food	130.258	127.777	128.216	-0.3	-1.6	0.3
Nondurables	206.041	203.289	203.396	0.8	-1.3	0.1
Nondurables less food	172.608	167.587	168.507	2.0	-2.4	0.5
Services less rent of shelter(2)	300.870	304.841	304.185	3.3	1.1	-0.2
Services less medical care services	277.743	279.293	278.419	2.6	0.2	-0.3
Energy	177.821	172.525	177.059	8.0	-0.4	2.6
All items less energy	237.381	238.381	237.418	1.5	0.0	-0.4
All items less food and energy	237.122	238.297	237.317	1.8	0.1	-0.4

Note: See footnotes at end of table.

Footnotes(1) This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

(2) Index is on a December 1982=100 base.

(3) Special index based on a substantially smaller sample.

(4) Indexes on a December 1993=100 base.

(5) Indexes on a December 1997=100 base.

- Data not available.

Note: Index applies to a month as a whole, not to any specific date. Data not seasonally adjusted.